APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

| Date of filing in Stat | e Engineer's Office DEC 08 2006 |
|------------------------|---|
| Returned to applicar | at for correction |
| Corrected applicatio | n filed |
| Map filed | DEC 11 1957 under 12286 |
| | ***** |
| | nt Tonto Corp. hereby makes application for permission to appropriate the State of Nevada, as hereinafter stated. November 20, 1992 in Nevada |
| | ***** |
| 1. The source of the | proposed appropriation is Underground Well No. 2 |
| 2. The amount of wa | ter applied for is 1.425 c.f.s. 564.30 acre feet per season second-feet. |
| (a) If stored | n reservoir give number of acre-feet |
| 3. The water to be us | sed for Irrigation and Domestic |
| 4. If use is for: | |
| (a) Irrigation | , state number of acres to be irrigated 142.50 acres |
| (b) Stockwat | er, state number and kinds of animals to be watered |
| (c) Other use | (describe fully under No. 12. "Remarks") |
| (d) Power: (1) H | forsepower developed |
| (2) P | oint of return of water to stream |

- 5. The water is to be diverted from its source at the following point NE¼ NE¼, Section 21, T.38 N., R.39 E., M.D.B. & M., at a point from which the Northeast Corner of said Section 21 bears N 45° 00′ 00″ E, 260.00 feet.
- 6. Place of Use portions of NE¼ of Section 21, T.38 N., R.39 E., M.D.B. & M.
- 7. Use will begin about March 15th and end about September 30th of each year.
- 8. Description of proposed works Drilled well, pump, motor, ditches or pipelines
- 9. Estimated cost of works \$10,000
- 10. Estimated time required to construct works drilled well with 16" hole 280 feet deep. Well is cased with 16" casing from 0 to 280 feet deep. No information available regarding pump and motor.
- 11. Estimated time required to complete the application of water to beneficial use 5 years

12. Remarks: Please use the maps filed to accompany the application and proof of beneficial use under permit no. 12286, certificate no. 4851 in support of this application to illustrate the proposed point of diversion and proposed place of use. It is the intention of the applicant under this application to use the same well to irrigate the same lands with the same diversion rate and duty as certificated under permit no. 12286, certificate no. 4851.

s/Laura Schroeder

By

DENIAL OF STATE ENGINEER

This application is hereby denied on the grounds that the granting thereof would violate the provisions of State Engineer's Order No. 832, conflict with existing rights, and threaten to prove detrimental to the public interest.

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 9th day of May , A.D. 2008

State Engineer

EXHIBIT A

The applicant recognizes that the State Engineer issued Order #832, Notice of Curtailment of Water Appropriation within the Designated Paradise Valley Ground Water Basin, on December 1, 1983. The language of the order specifically provides:

All applications filed after December 1, 1983, to appropriate underground water to irrigate additional land within the Designated Paradise Valley Ground Water Basin will be denied.

At the time the order was issued, underground water was appropriated for irrigating the lands under Certificate Nos. 4388, 4851, 5340, 5341, 5342, 6542, 8542, 9494, and 9495.

Consistent with the requirements of Order #832, this application though filed after December 1, 1983, does not request appropriation of underground water to irrigate additional lands within the Designated Paradise Valley Ground Water Basin, but rather seeks an appropriation to irrigate lands previously irrigated before December 1, 1983 under the valid Certificates listed above.